

**DECLARATION OF SHANNON BRYANT**

1. My name is Shannon Bryant, and I am over the age of nineteen (19) years. I am African-American. I have personal knowledge of the facts set forth below pertaining to the case pending in the United States District Court for the Middle District of Alabama, Eastern Division, styled Denise L. Smith v. Sears, Roebuck and Co., CV-05-1018-MHT.

I give this Declaration voluntarily, without coercion and under penalty of perjury.

2. I was employed with Sears, Roebuck & Co., for fourteen (14) years. I have worked at Sears' store located in Auburn, Alabama, at the Village Mall since March 1990 until I voluntarily resigned in October 2004. From July 2003 until October 2004, I was the stores Instore Marketing Lead. As the Instore Marketing Lead, my duties included, but not limited to, supervising instore marketing associates, hiring and training associates, who worked in my department, counseling associates on their performance, completing weekly schedules for my department, along with the presentation look of the store, setups and takedowns of Sears's advertising, setting of plan-o-grams, price changes such as markups and markdowns, hanging of signing, and setting of displays. I reported directly to the Store General Manager ("SGM").

3. Sears has a Code of Conduct Policy that shows examples of unacceptable business and personal conduct that can lead to termination of employment include, but are not limited to violating associates discount policy; giving unauthorized markdowns to customers and associates. Using someone else's associate number when ringing sales. The policy also states that most of the time, good judgment will tell associates the right thing to do. This policy is clearly stated in Sears' Code of Conduct in the Sears' Associate Handbook. During my time of employment with Sears, we have never distributed nor

discussed the Sears Code of Conduct Policy annually with associates. A true and correct copy of Sears Code of Conduct Policy is attached to here as Exhibit A.

4. Sears offers various coupons to its customers. These coupons have terms and conditions written on them including what department area, the coupons should be used in and sometimes the product that the coupon should be applied towards. Most of the time it will state that the customer will have to use a Sears Credit Card.

5. During the last year of my employment at the Sears Auburn Store it was made a practice to reuse coupons out of register drawers for customers and employees regardless of what type of coupon it was. If the hand wand scans it or if the register accepts the manual input, it was okay with management. When coupons would not take through the register, the associate would page the Manager on Duty and we would go to that register to swipe or manually input our supervisor approval code, which was our social security number.

6. In August 2004, I witnessed Stephanie Darby, a white female, remove a \$30.00 coupon out of her register drawer in the appliances department to ring two (2) separate transactions for Terry Gandy, a white male to purchase a dishwasher and cook top. He told me that he was purchasing these items for his parents because they had purchased a home in Phenix City, Alabama. I didn't report this incident to upper management because this was a common practice that was set by management for the Sears Auburn Store.

7. To the best of my knowledge, management had no training on how to discard a coupon after the associate has retrieved the coupons from the customers nor would there be any documentation on file that will show there was any kind of training on coupon procedures while Kenny Reese, a white male, was the Store General Manager. We would sometimes give the customers their coupons back so they could reuse them. Management

including myself had knowledge on how coupons were actually being used at the Sears of Auburn Store. When store management had specific training or wanted to hold associates accountable, every associate including management would have to sign "I know it coupons".

8. Journal tapes can only be pulled from register within 30 days, but they are supposed to be pulled every night at the close of business. There again, we as management at the Sears Auburn Store failed to do our leadership duties and made this a common practice for associate's because we didn't question them on why they did or didn't follow Sears Corporate Policy? They all were lead or seemed to think that, if they pulled the journal tape at close of business, which was acceptable or if they didn't pull the journal tape at close of business, which was still acceptable also. I have personal knowledge that Terry Gandy and Kenny Reese could have done a complete and more thorough investigation.

9. Sears of Auburn store management has always given associates the access to pull up not only their customer information, but other associates customer information. They even allowed the associates in the Hardline area to take their blue books home which had customer information in it.

10. Sears of Auburn Store Management allowed for other associates to ring under other associates register/employee numbers.

11. Sears Code of Conduct Policy states that we deal fairly with everyone with whom we do business, whether a customer or associate. To maintain the trust, and respect of our customers and associates, we conduct business in an ethical manner each day. Sears Code of Conduct Policy also states to conduct yourself in a professional manner and to never discriminate against any associate or customer. Terry Gandy and Kenny Reese

violated this company policy. If they had completed a thorough investigation, they would have had to fire the whole store and this is including management, but instead Terry Gandy chose to investigate Denise Smith and Beatrice Willis because they were two (2) black trouble makers in appliances. We all used coupons whether it was a \$65.00 coupon or any other coupon. We all at some point have asked the associates, if they had any coupons in their drawer, so that we could save on our purchases. Management and associates were using coupons on a regular basis, whether it was for customers or associates.

12. In September 2004, I, in fact, heard Terry Gandy state to John Lawrie, "we are finally getting rid of the two (2) black trouble makers in appliances," and then John Lawrie said, "that's good."

13. Sears selling practices were to always do your work honestly and truthfully. Never misrepresent Sears's products or services. Sears policy also states that you may not mislead customers through false advertising claims. Kenny Reese did violate this company policy. I have personal knowledge that Kenny Reese would have some of my associates, himself, and me to make copies of expired coupons to distribute to all of the registers. We used the copies of expired coupons to help drive sales in the store and not only did the customers use these copies of expired coupons for purchases, the associates did too.

14. Kenny Reese would have my staff and me along with himself to create signs on sign writer machine to save \$20.00 on a purchase of \$49.99 and above in the dresses department to drive sales. This department was managed by Byron Mason and he was aware that this was going on. I would work setup and takedown per Sears advertising in

the appliance department, then Kenny Reese would come along and remove the sale signing to show regular price, but would create a sign saying save \$100 or whatever savings he would like for the sign to say. Sometimes it's already on sale for those savings anyways and sometimes he would mark the price up and create a sale sign to show savings. Kenny Reese did this in order to drive sales by misleading the customer. This was John Lawrie's department and he was aware that this was going on.

15. Kenny Reese, Terry Gandy, John Lawrie, and Byron Mason including myself have never trained associates annually in regards to the Associate Handbook. The only Associate Handbook that was issued was when a new associate was at the new hire orientation in which was given by, Nina Fitzwater, the Human Resource Lead, no other associate handbook was issued to employees that was already working for Sears Auburn Store while Kenny Reese was Store General Manager. The only meetings that were held, but not documented was when management wanted to let associates know whether sales were up or down, their performance on protection agreements (PA's), and Byron's favorite, credit applications; these meetings were held on Friday mornings because it was going into the weekend with a big sale. During this time they never discussed unauthorized discounts or policies while Kenny Reese was Store General Manager.

16. Kenny Reese went to lunch with Byron Mason, who is African American, (Assistant Store Manager of Softlines) and John Lawrie, a white male, (Assistant Store Manager of Hardlines) because they were his left and right hand managers. If Byron Mason were just a timecard or lead associate, Kenny Reese would not have gone to lunch with him because he was black.

17. Byron Mason once said to me that he thought that Kenny Reese had Carolyn Landers watching every move he made, when they both were scheduled during the same shift. He also stated because we were black, we need to be careful and watch each others back.

18. On November 1, 2004, the same day Beatrice Willis was terminated. I spoke with Byron Mason from Denise Smith's cell phone that night and Byron said that he was not aware that Beatrice was being terminated and that it was unfair and that Kenny would have to terminate the whole store because everyone was using coupons out of the register drawers.

19. When Human Resource and Hub Office merged together, Kenny Reese only was interested in placing Barbara McDonald, a white female, into a department, which happens to be in my area. He did not mention placing either Betty Graham nor Rosa Jackson, who were both African-Americans, to me. They were dedicated employees, who had a lot of years invested at the Sears Auburn Store. The only option that Betty Graham, a grand-fathered full time associate, had was to take severance pay and Rosa Jackson, a part time associate, did not have an option.

20. Numerous of times did Kenny Reese pass by my staff and me. He only spoke to Crystal Young by name, a white female, and didn't say anything to the blacks. On several occasions he would page Barbara McDonald to ask her to make sure something in a department area was done or to change the way a presentation was in which it would then be different from our zoneogram or presentation book. I would be in the store at the time he would page Barbara McDonald, but should have paged me because I was the

supervisor. I had black associates, who were familiar and had more experience in this department than Barbara McDonald did, but he didn't ask them because they were black.

21. When I would look over applications in the computer one thing I would look at is availability and work history. I looked more towards the applicant's availability because Sears is a business and we have to partially hire based on the company's need. I hired Crystal Young based on the time that she could work from her application, the verbal times that she said that she could work, and how well her interview went with me in determining that she would be the best person for the job. Kenny Reese stated to me that he was aware that I was scheduling Crystal Young at 6:00 a.m. and that I need to be careful with scheduling her so early in the morning because of her going to school. I would only schedule Crystal Young at 6:00 a.m. on the days that she could work; I never interfered with her school schedule. My observation was when it came to pretty white females such as Crystal Young, you could forget about the company availability needs.

22. I resigned from Sears because I could not take it any longer being around the discrimination atmosphere of Kenny Reese and Terry Gandy.

23. Sears Corporate Policy was not being followed by the Sears of Auburn Store, Unit 2595. The management staff was not good leaders at the Sears of Auburn Store. I was part of the Sears of Auburn Management Team, I was confused and was lead to believe that we (Sears Auburn Store) had our own set of policies and procedures, which were different from the other full-line stores. Denise Smith and Beatrice Willis were the top two (2) sales associates in the store; of course, they would have more use of coupons than the average and below average sales associates in their department. As managers we failed them, we allowed for them to use the \$65.00 coupons or any other coupons.

Denise and Beatrice did as the white associates did in appliance; it wasn't that they had committed any type of crime, Kenny and Terry just wanted to get rid of them so that Carolyn Landers could make more money. These were two great associates, who names meant something and stood out to the customers, they were dedicated and love doing their job. Sears has a process with disciplining associates and the process were for us as managers to train, coach, develop, and to discipline if needed to by using a performance plan for improvement (PPI).

24. Kenny Reese being the Store General Manager and Terry Gandy being the Asset Protection Manager along with the rest of the management staff, we did not use good judgment, that's why associates didn't know the right thing to do. Kenny Reese set his own local store policy and neglected the policy that the company had set into place for us to follow.

25. I declare under the penalty of perjury that the foregoing is true and correct to the best of my knowledge.

7/21/06  
DATE

Shannon Bryant  
SHANNON BRYANT